

Senate File 45 - Introduced

SENATE FILE 45

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A BILL FOR

1 An Act relating to the eligibility criteria for the disabled
2 veteran homestead tax credit and including effective date
3 and applicability provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 425.15, subsection 1, paragraphs b and c,
2 Code 2015, are amended to read as follows:

3 b. A veteran as defined in section 35.1 with a
4 service-connected disability rating of one hundred percent
5 or a one hundred percent service-connected disability rating
6 based on individual unemployability, as certified by the United
7 States department of veterans affairs.

8 c. A former member of the national guard of any state who
9 otherwise meets the service requirements of section 35.1,
10 subsection 2, paragraph "b", subparagraph (2) or (7), with a
11 service-connected disability rating of one hundred percent or
12 a one hundred percent disability rating based on individual
13 unemployability, as certified by the United States department
14 of veterans affairs.

15 Sec. 2. Section 425.15, Code 2015, is amended by adding the
16 following new subsection:

17 NEW SUBSECTION. 5. For purposes of this section,
18 "*individual unemployability*" means a condition under which a
19 person has either a service-connected disability rating of
20 sixty percent or two or more service-connected disability
21 conditions in which one of the conditions has at least a
22 forty percent rating and the combined rating for all the
23 conditions is at least seventy percent, and the person has
24 an administrative adjustment added to the service-connected
25 disability, due to individual unemployability, such that the
26 United States department of veterans affairs rates the veteran
27 one hundred percent disabled.

28 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
29 immediate importance, takes effect upon enactment.

30 Sec. 4. APPLICABILITY. This Act applies to applications for
31 the homestead credit under chapter 425 filed on or after the
32 effective date of this Act.

33

EXPLANATION

34 The inclusion of this explanation does not constitute agreement with
35 the explanation's substance by the members of the general assembly.

1 Current Code section 425.15 provides a homestead credit to
2 the owner of a homestead for the full amount of tax levied
3 if the owner is any of the following: (1) a veteran of any
4 of the military forces of the United States who acquired the
5 homestead under specified federal programs; (2) a veteran
6 with a service-connected disability rating of 100 percent;
7 (3) a former member of the national guard of any state who
8 meets specified service requirements with a service-connected
9 disability rating of 100 percent; or (4) an individual who is a
10 surviving spouse or a child and who is receiving dependency and
11 indemnity compensation.

12 This bill amends the eligibility criteria for the credit
13 to include a veteran with a 100 percent service-connected
14 disability rating based on individual unemployability and
15 certain members of the national guard with a 100 percent
16 service-connected disability rating based on individual
17 unemployability.

18 The bill defines "individual unemployability" to
19 mean a condition under which a person has either a
20 service-connected disability rating of 60 percent or two
21 or more service-connected disability conditions in which
22 one of the conditions has at least a 40 percent rating and
23 the combined rating for all the conditions is at least 70
24 percent, and the person has an administrative adjustment
25 added to the service-connected disability, due to individual
26 unemployability, such that the United States Department of
27 Veterans Affairs rates the veteran 100 percent disabled.

28 The bill takes effect upon enactment and applies to
29 applications for the homestead credit under Code chapter 425
30 filed on or after the effective date of the bill.